
TOO GOOD TO BE TRUE....

A Column on Consumer Issues by Attorney General Wayne Stenehjem's Consumer Protection and Antitrust Division

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CHARITABLE DONATIONS – BE INFORMED

While many charities use your money wisely, others may not deserve your generosity. Asking questions about the nature and activities of the organization is the only way you can be sure your money will go to support the worthwhile services many charities provide.

Professional fundraisers soliciting funds in North Dakota on behalf of charities must be registered with the state. Contact the Secretary of State's office at 701-328-3665 to determine if the professional fundraiser contacting you is registered in the state of North Dakota. In addition the charity itself must be registered in North Dakota.

Many charities employ professional fundraising organizations to handle their large-scale mailings, telephone campaigns, and other solicitations. These professional fundraisers are in business for profit. Under some contracts, the professional fundraiser takes as much as 90 percent of the donations it solicits from the public.

When solicitors contact you, always ask if you are speaking with a volunteer or a professional fundraiser. If you are talking with a paid professional fundraiser, find out how much of your money will go to the fundraiser and how much to the charity.

Always keep in mind the professional fundraiser and the paid solicitor making the call are separate from the charity and may not be the best source of information about the charity. The fundraiser's goal is to raise money, and he or she may not have reliable information about the work of the charity, how your money will be used, or whether your donation is tax-deductible.

It is also a good idea to get the name and address of both the professional fundraiser and the charity so that you can ask questions and verify information.

When you receive a solicitation call, it is best if you do not make a pledge before you have all the facts. Even if the charity sounds worthwhile, you should request written information. Legitimate organizations should respect your right to be an informed donor.

Always take the time you need to think things over. After all, you wouldn't trust a stranger to invest your life savings, so why should you pledge to a charity you know nothing about?

Ask these questions:

- **Who** is soliciting for the charity -- volunteers or professional fundraisers? If a professional fundraiser, what is the name, address and telephone number and what is the name of the individual caller?
- **What** does the charity do? What is its purpose?
- **Why** should you give to this charity? Is your donation tax deductible?

- **Where** is the charity office located? Request a name, address, and telephone number.
- **When** did the charity begin operating? Has it been effective?
- **How much** of your money will go to the program you wish to support? How much will go for fundraising or administrative costs?
- **How much** of my donation will be directly spend in North Dakota?
- **Which** North Dakota charities will receive my donations?

Some facts you should know:

- ⇒ If a charity mails you a gift, you are not obligated to return the gift or to donate.
- ⇒ Watch out for groups using names similar to well-known charities as a strategy to receive more donations.
- ⇒ When you donate, your name may be placed on mailing lists issued to other charities. You have a right, however, to have it removed upon request.

More information on charities and their spending habits can be obtained from the Council of Better Business Bureaus, Inc., at 703-276-0100 or on the Internet at www.bbb.com.

The Office of Attorney General has released "Charitable Giving," a tip sheet for consumers to help reduce the risk of being victimized by deceptive solicitations. You can view the tip sheet online at www.ag.state.nd.us/CPAT/PDFFiles/giving.PDF or you can request a copy by contacting the Attorney General's Consumer Protection Division at 701-328-3404 or toll-free at 800-472-2600.

All organizations set up to support good causes are not created or operated equally. Be a wise charitable giver. Ask how your money will be spent and carefully scrutinize that information before you donate. Charitable giving is great, but know your charity!

The Attorney General's Consumer Protection Division investigates allegations of fraud in the marketplace. Investigators also mediate individual complaints against businesses. If you have a consumer problem or question, call the Consumer Protection Division at 328-3404, toll-free at 1-800-472-2600, or 1-800-366-6888 (w/TTY). This article and other consumer information is located on our website at www.ag.state.nd.us.

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